It is my opinion that, unless we have central co-ordinating and distributing bodies,—agencies if you like—and market-finding agencies, our people will not be able to avail themselves of the benefits of the inculcatory institutions. It may be that we made an initial blunder in embarking too ambitiously on the ready-made factories and institutions. My own idea is that better results might have been achieved if we began in a small way, first satisfied ourselves that there were grounds for advancement and then seen to its development. Instead of that, we proceeded to establish tanneries and various other industries which you have mentioned and there we stopped.

Then there is another aspect of the question. The Director of Industries has shown me clearly, and I am myself personally convinced, that if we run these several institutions as Government commercial ventures directed to the sole purpose of profiting the Government or if we run them by Government officials for the benefit of the public exchequer, it will be perfectly easy to make the institutions successful. But there is a wider object in view. The State does not want to embark on commercial enterprises and compete with private individuals. It merely desires to point the way and to hold out the hand of encouragement. How all this is going to turn out, I cannot say for the present ; but I can only give this assurance that with the able assistance of the Director of Industries we have now come to certain practical schemes which will, I hope, come into operation fairly quick. And then if we find there is that responsiveness which is absolutely necessary, we will pursue the lines of agency and so foster true growth of the industry. But without sympathetic response from the people of Travancore, these must of necessity be disastrous failures.

54. Industrial Development of the Parur taluk.

MR. LONA OUSEPH (*Member, Parur taluk*) referred to the growing unemployment and the consequent communal differences in the State. In his opinion, the only remedy for unemployment and the evils connected with it was the development of industries. There were, fortunately, facilities in Travancore for the opening of various industries. In the Parur taluk, for example, cocoanut cultivation was carried on on a large scale. It would be a great benefit to the people if a factory be established there for conducting any industry connected with coir yarn, which was produced in large quantities in that taluk. Similar industrial factories could be opened in other taluks. But people in his taluk were either too poor or too reluctant to start any such industrial concerns. If, however, the Government considered that they could not open a factory at Parur, the people might at least be given industrial loans on proper security as in the case of agricultural loans. Such loans should bear no interest for the first four years and interest only at low rates for the succeeding years. To start with, at least a sum of Rs. 25,000 should be advanced for the purpose.

There were very few industrial schools in North Travancore. To remedy that defect, more industrial schools should be opened in convenient localities in North Travancore.

DEWAN'S REPLY: Mr. Lona Ouseph, the weight of departmental opinion is against the establishment of a coir factory. There are already existing in the State coir factories and they are doing very well and therefore there is very little for the Government to do in the matter.

In the matter of further industrial schools, I think you are quite justified in asking for more schools in Northern Travancore. I shall have the question taken up and examined.

55. Development of Commerce.

MR. K. C. EAPEN (*Member, Trading Classes, Trivandrum*) said that, without trade, a country could never progress. In Travancore, the annual increase of revenue from customs was about two lakhs of rupees That was mainly due to the development of commerce in the country. It was, however, regrettable that the subject of trade was not given a separate treatment in the Dewan's Opening Address.

He expressed his gratification for the act of the Government in commuting into money payment, the rent due on *Kandukrishi* lands.

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It was also a matter for congratulation that a Statement of Action taken on the representations made at the previous session of the Assembly, was prepared and given to the members.

The first and foremost thing required by merchants was the extension of railways. It was mentioned in the last year's Address of the Dewan that the Trivandrum Town Extension would be taken up immediately and that other lines would be taken up as soon as the money required for the purpose was raised. When the Cochin Harbour works were completed, the necessity for the Quilon-Ernakulam line would be more keenly felt. It was a source of consolation that the survey of the above-said line was completed. But the work should not be left alone there for being pursued at leisure.

Secondly, for the proper encouragement of trade, the co-operation and help of all the various departments was necessary. The Economic Development Board should be improved and proper men should be elected as its members. It would then be of immense benefit to the people.

The delays in civil courts were a source of hardship to the merchants. Debts could not be easily recovered and many merchants therefore became insolvent. The provisions of the Civil Procedure Code and the *Civil Courts' Guide* were interpreted differently by different Munsiffs and that formed another grievance of the parties to civil suits. The subordinates of the civil courts down to the process peons had to be given some gratification or other. Otherwise, things would not progress. The existence of corruption would be proved if a surprise visit be made to any of the courts. To remedy such a lamentable state of affairs, a committee should be appointed to go into the question of law's delays and suggest reforms. If the Legislative Council did not sanction the necessary funds, one or two Judges of the High Court would be entrusted with the duty. To avoid delay in small cause suits, the creditors in many cases reduced the amount of the debts due to them so as to bring the suits within the jurisdiction of the Panchayat Courts.

There should be proper means of communication everywhere in view to facilitate easy transport of goods. The Economic Development Board had impressed upon the Government the importance of the subject. Several petitions had also been presented to the Chief Engineer but the subordinate officers to whom they were sent did not take any action.

In Mysore, a commercial conference was held every year to discuss questions relating to trade and suggest measures for its development. A similar conference should be held in Travancore also and the Economic Development Board might be entrusted with the duty of convening such a conference.

Agriculturists were encouraged by the Government by the grant of agricultural loans. Not only was no such help rendered by the Government to traders, but on the other hand they were asked to pay income tax without properly ascertaining the nature and extent of their profits. The account books produced by traders were characterised as unreliable. Instructions should therefore be issued for accepting the accounts produced by the traders.

DEWAN'S REPLY : Mr. K. C. Eapen, I listened with very close attention to your excursions into the facetious. You talked *about* various subjects, you talked *at* various subjects and you approached one or two. Emerging from your speech, I find one or two, more or less definite, representations. One is that a single Judge or two should be appointed in place of a committee to go into the question of law's delays. That is what I understood you to say. As I stated in my Address, I turn with confidence to all the Judges of the High Court and I am sure each of those Judges will do his level best.

Another point I seem to find figuring out of your speech was about a commercial conference. I do not see what your specific objects and aims are or that you simply want that the Government should send forth a flying column without any definite objective, or as they say in military language, without a supporting column. However, I have placed your suggestion of a commercial conference in the hands of my Secretaries and shall see how far they can pursue it to definite recommendations.

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Also, I heard you complain, this time, in more or less definite terms that the Income Tax Department looks upon all merchants and traders as deceivers ever. I do not know whether the act of verification and examination constitutes a reflection upon anybody's honesty. I do not think so. The department is merely seeking after facts and that certainly does not convey any idea of aspersions upon the merchants.

Then again, I picked out here and there, and sometimes, I am not sure whether I did pick out, the fact that the Government do not render the commercial world of Travancore proper advice and help. To tell you the plain truth, I have not myself considered it my duty and I do not think I am capable of giving advice or rendering assistance to the commercial magnates of this country. I have always assumed that the great commercial men and institutions of the world are always able to render the Government their help and advice for the simple reason that commercial advice is more or less foreign to the service functions of the Government. That is all I have to say by way of reply to your representations.

56. Needs of the Co-operative movement in the State.

MR. K. VELAYUDHAN PILLAI (*Member, Kalkulam taluk, Group II*) said that the co-operative movement was gaining ground in the State as would be evidenced by the fact that two members were going to talk on the subject of co-operation. During the twelve years since the movement was introduced in the State, it had progressed rapidly only on its credit side, but its immense possibilities in other directions were not brought home to the public. The public had not understood that co-operation would save them from the tyrannies of village Shylocks, that it was the medium for bringing the producer and the consumer to the same platform and that it was the only movement strong enough to withstand the onslaughts of socialism.

The duty of educating the people on the higher aspects of co-operation and imparting to them the practical knowledge for applying those principles in the daily working of the societies rested with the Co-operative Department and non-official institutions. The Co-operative Department, however, had an Inspectoral staff scarcely sufficient to fulfil even its statutory obligations, and therefore it could not be expected to do much in the way of propaganda work. Non-official institutions were all of recent growth and they laboured under the great disadvantage of paucity of funds. The All-Travancore Co-operative Conference had, however, passed resolutions entrusting the work of education and propaganda to the Travancore Co-operative Institute and requesting the Government to provide it with sufficient funds for carrying out the work. The Institute was already conducting a Malayalam magazine with the object of spreading the true ideals and principles of co-operation among the public. But for want of funds it was not possible to conduct the magazine regularly. The Institute had, therefore, applied to the Government for a grant for carrying out the responsibilities entrusted to it by the Conference and the member requested that a decent subsidy be granted.

The second vital need of the movement was the establishment of a Land Mortgage Bank for Travancore in view to facilitate the redemption of mortgages of agricultural lands and relieve the ryots from those encumbrances. The prior debts were the most serious obstacles in the way of improvement of the economic condition of the ryots. Without liquidating the prior debts the ryots were unable to derive the full advantages of co-operation afforded through rural credit societies. The co-operative societies were able to advance only short-term loans covering periods not exceeding two years for purposes of cultivation, because the funds in the Central Bank, which financed the primary societies, were made up of deposits for short periods. The Central Bank was not, therefore, in a position to afford any substantial assistance to the ryots nor did the scheme for granting agricultural loans improve the situation to any appreciable extent. That was why the All-Travancore Co-operative Conference had demanded the organisation of a Land Mortgage Bank. At the request of the Conference, the Travancore Co-operative Institute appointed a committee for drawing up a scheme for the establishment of the Bank. The Committee had drawn up a practical scheme and the member requested that the Government might be pleased to approve the same and render all the necessary assistance.

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